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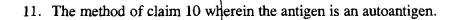
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## What Is Claimed Is:

- 1. A method of inhibiting a T cell response to an antigen, comprising contacting T cells with mesenchymal stem cells modified to present the antigen, thereby inhibiting a T cell response to said antigen.
- 2. A method of inhibiting a T cell response to an antigen, comprising administering to a host human mesenchymal stem cells modified to present the antigen, thereby inhibiting a T cell response to said antigen.
  - 3. The method of claim 2 wherein the antigen is an autoantigen.
  - 4. The method of claim 3 wherein the mesenchymal cells are autologous to the host.
- 5. A method of inhibiting a T cell response to an antigen, comprising administering to a host human mesenchymal stem cells which express a molecule that blocks costimulation of T cells such that the T cell response to an antigen is inhibited.
  - 6. The method of claim 5 wherein the molecule is membrane-bound.
  - 7. The method of claim 6 wherein the molecule is CTLA-4.
  - 8. The method of claim 5 wherein the molecule is a cell-soluble protein.
  - 9. The method of claim 8 wherein the molecule is CTLA4-Ig fusion protein.
- 10. A method of inhibiting a T cell response to an antigen, comprising administering to a host human mesenchymal stem cells which are modified to express a) the specific antigen; and b) a molecule that blocks costimulation of T cells, such that the T cell response to the antigen is inhibited.

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- 12. The method of claim 10 wherein the mesenchymal cells are autologous to the host.
- 13. The method of claim 10 wherein the molecule is membrane-bound.
- 14. The method of claim/13 wherein the molecule is CTLA-4.
- 15. The method of claim 10 wherein the molecule is a cell-soluble protein.
  - 16. The method of claim 15 wherein the molecule is CTLA4-Ig fusion protein.